

2003-360

February 4, 2004

Mr. Thomas Dorman, Executive Director
Kentucky Public Service Commission
PO Box 615
Frankfort, KY 40602-0615

Mr. Dorman:

This letter is in support of a previous letter written by Steven Kennedy on February 2nd.

I have heard that two of the concerns of the PSC may not only be the cost of Doe Valley's proposed water plant, \$1.2 million, but also the property owners' ability to pay for the improvements.

In October 2002, the property owners' association (POA) board passed a special assessment of \$17 per month per lot for a period of 5 years to fund this construction. As of January 12th, 2004, the water plant fund had received nearly \$439,000. As long as the major multi-lot owners including the developer continue to meet their obligations, the goal of \$1.2 million should be reached in less than 5 years.

Here is a comparison of water usage of 8,200 gallons on my latest bill from Doe Valley Utilities with the City of Brandenburg and the Meade County Water District amounts:

Doe Valley: \$30.03	Brandenburg \$37.78	Meade County \$62.00
---------------------	---------------------	----------------------

In addition, I want to provide some background information regarding the removal of 4 of the 5 members of Doe Valley's Utility Board on January 15, 2004:

During a November 20th meeting, the previous board passed an amendment to its by-laws "to provide for an election of the utility board members" by the POA members. The vote was unanimous in favor.

On December 30, 2003, the POA board called a special meeting with its corporate attorney to consider the removal of one or more members of the DV Utilities' board of directors, along with amendment changes to its by-laws.

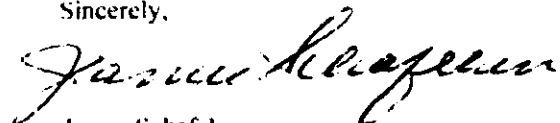
On January 15, 2004, the POA board voted to remove 4 of the 5 members of the utility board and to appoint the four members of the POA board to the utility board, and to rescind the aforementioned 11/20 by-law that permitted the election of members of the utility board of directors directly by the property owners of Doe Valley Association, Inc.

The combined Doe Valley's POA Board and Utility Board cancelled the appeal hearing with the PSC on January 27th in Frankfort without giving its members any reason, resulting in another delay. As there is ongoing construction of homes along with the need to double the pumping capacity of our current water plant, most of us believe that such delays may subject us to water shortages this summer along with an inability to meet possible emergencies.

A recent survey indicated that 90% of the property owners wanted to keep our lake, go private, and build the new plant (292 in favor out of 324 votes).

We hope that you will reinstate your hearing and expedite our appeal.

Sincerely,



James Schafehen
426 Ivy Court
Brandenburg, KY 40108